

1. The meeting was called to order at 6:00 pm.
2. The Pledge of Allegiance was led by Mayor Moser.
3. Roll Call: Harold Merritt, Jack Davis, Kevin Sair, and Mayor Moser were present. Neil Duncan arrived late. Nathan Bronemann took minutes. Legal Counsel was excused. Bob Davis of Ensign Engineering was present.

4. Declarations of conflict of interests.

None stated.

5. Update on closing of water purchase – Rod Mills

Mayor Moser said that the board would need to ratify a document and that they would hopefully be able to close on October 12<sup>th</sup>.

Neil Duncan arrived late.

6. Discussion and action on amending Rules and Regulations for Retail Water Service (Interest rate and deposit on new accounts)

Mayor Moser recommended that the interest rate be set at 5% per month and a new account deposit of \$300, which is in line with other municipalities. He also mentioned that they might require a deposit for those whom did not want to provide a social security number for the credit that they are provided.

Margaret Ososki said that she had heard several people voice their concerns about providing a social security number.

Mayor Moser explained that just like with any business that extends credit, a social security number is required to enable the ability to collect.

Jack Davis said that to give a choice would be preferable.

Mayor Moser said that it would be highly unlikely that someone were to break into the Apple Valley Town offices for 250 social security numbers.

Jay Kleinfeldt said that he didn't feel that the number was relevant. He said that he felt that \$300 was steep with an average bill of \$45.

Kevin Sair said that he felt that an option was good and that keeping a deposit indefinitely was not desirable.

Dale Harris said that he felt \$300 was too high for two and a half months.

Mayor Moser reminded the board that dealing with renters would be difficult when they left without notice.

Harold Merritt recapped that they would charge a 5% per month on delinquent accounts, \$300 deposit on new account to be credited to the account after one year and a \$500 deposit in place of a social security number to be held until they move.

Jack Davis said that some places did credit checks before opening an account.

Mayor Moser said that most other municipalities in the county were requiring a \$300 deposit.

Kevin Sair said that they might be charging for several services.

Motion made by Mayor Moser to require a \$200 deposit credited to the account after one year upon request and a 5% per month finance charge on delinquent accounts and that if an individual would rather not provide a social security number they pay a \$500 deposit that is kept until the customer moves. Neil Duncan seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

Motion made by Mayor Moser to not require a social security number from anyone who has never been 90-days delinquent in the past two years with the Town. Jack Davis seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

7. Discussion and action on approving the issuance of bonds

It was decided that this item would be covered in other items.

8. Discussion and action on bonding the Chairman and Secretary for the first two years of the loan

Mayor Moser said that the State was requiring bonding of the secretary and chairman in order to extend the loan.

Motion made by Mayor Moser to approve the bonding of the Chairman and Secretary for the first two years of the loan. Jack Davis seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

9. Discussion and action on the ratification of the modification of the contract between Cedar Point Water Company and Utah Community Credit Union

Mayor Moser said that this was an agreement reached between the Cedar Point Water Company and the credit union that owns that land that the tank sits on. He said that in order to clear the title to the million gallon tank as well as the acre that the tank sits on, this agreement was reached. He said that there would be 60 hookups provided to the credit union that Cedar Point Water Company would be compensating the district for. In exchange, 38 acre-feet of water would be given to the district.

Jack Davis asked for clarification on the location of the tank.

Kevin Sair asked for clarification on the impact fees and the water rights.

Motion made by Mayor Moser to ratify of the modification of the contract between Cedar Point Water Company and Utah Community Credit Union pending the approval of legal council. Neil Duncan seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

10. Discussion and action on the appointment of an assistant secretary to act on behalf of the secretary if not present with full authority

Mayor Moser said that Neil Duncan would be out of town during the closing.

Motion made by Harold Merritt to appoint Mayor Moser as assistant secretary to act on behalf of the secretary in his absence. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

11. Discussion and action on the approval of the chairman and secretary to sign all closing documents

Motion made by Mayor Moser to approve the secretary and chairman to sign all closing documents. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

12. Discussion and action on liability and workers compensation insurance

Motion made by Mayor Moser to use the Utah Local Government Trust for the liability and workers compensation insurance. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

Charlie Greco asked for clarification on the modification agreement.

Jack Davis said that any developments would have to go through the Planning Commission for approval.

Mayor Moser said that the modification to the agreement only said that they had approval on water connections, but that they would have to go through every other step in order to receive approval to develop the land.

Mayor Moser reminded those in attendance that the cost of development was on the backs of the developers.

Eve and Charlie Greco again expressed their opinion that there wasn't enough water for anyone to move into the area.

Mayor Moser said that if there was not enough water in an area where a development is proposed, then the developer would have to find a way to bring the water in to the area.

13. Discussion on disseminating information to board members prior to meetings (Jack Davis)

Harold Merritt said that the reason that there has not been a good flow of information of late was that there were several things changing on a daily basis.

Jack Davis said that the concern he had was not coming to the meetings with the knowledge of what was behind the agenda items before coming to the meetings.

Mayor Moser said that he was looking in to what was required to hold a staff meeting before the meetings to bring everyone up to speed.

14. Discussion and action on preparing the annual operating budget for 2012 and 2013.

Mayor Moser said that they needed to prepare a budget prepared and reviewed and approved by the Town Council. He said that they would have to hold a public hearing that would require 14-days notice. He said that it would all need to be done before the end of the year. He recommended scheduling a work meeting before the end of the month.

Motion made by Mayor Moser to work meeting to discuss the budget on Wednesday the 10<sup>th</sup> of October at 7:00 pm. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

15. Acquisitions – Harold Merritt

Nothing more to report.

16. Funding – Kevin Sair

Nothing more to report.

17. Operations – Neil Duncan

Neil Duncan said that there was a leak and he was concerned that it would be the districts problem after the closing.

Mayor Moser said that any issues that have occurred prior to closing would be the responsibility of the current water companies.

18. Resource Management – Mayor Moser

Nothing more to report.

19. Development – Jack Davis

Nothing more to report.

Jack Davis thanked the Mayor and all involved for laying the material on the road and working all night to get the road material on the roads.

20. Consent Calendar - Income and Expenses

Nothing to report.

21. Consider approval of minutes:

a. September 19, 2012 Regular Meeting Minutes

Motion made by Neil Duncan to approve the September 19, 2012 regular meeting minutes as corrected. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

22. Request for a closed session

None requested.

23. Adjournment

Motion made by Mayor Moser to adjourn the meeting. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Neil Duncan-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 5/0.

Meeting adjourned at approximately 7:22 PM.

Date approved: \_\_\_\_\_

ATTEST BY: \_\_\_\_\_  
Nathan Bronemann

\_\_\_\_\_  
Chairman Harold Merritt